sale in cover of forward transactions were suspended because the RBI undertook to review the system in view of a substantial speculative tendency observed in the forward market and a relatively comfortable level of foreign currency assets. However, under the Liberalised Exchange Rate Management system (LERMS) announced on 29th February, 1992, forward transactions can be done by the Authorised dealers with the public at market rates. Both the spot rates as well as rates for forward transactions will be determined by demand and supply.

Trade with South American Countries

*342. SHRI ANKUSHRAO RAOSAHEB TOPE: Will the Minister of COMMERCE be pleased to state:

(a) whether the Indian Companies have been able to increase the trade with the South American countries after the G-15 meeting held in Kuala Lumpur on September 30, 1991; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) and (b). The first Summit meeting of the G-15 was held in Kuala Lumpur in June 1990 and the second in Caracas in November '91. Though promotion of trade is not the focus of the G-15, at Caracas there was a parallel meeting of businessmen and industrialists from the G-15 countries.

Since 1988–89 there has been a continuous trend of rapid growth in exports from India to this region. Imports have grown from Rs. 45.78 crores in 1987–88 to 195.05 crores in the period April–December 1991.

The main reason for this is the liberalisation of import regimes in the countries of the region and the export promotion programmes of Government. It is too early to assess the impact of the initiative at the Caracas Summit.

Dry Dock Project

*343 SHRI MORESHWAR SAVE:
SHRI MOHAN SINGH:

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government propose to abandon dry dock project at Bombay;

(b) if so, the reasons therefor;

(c) the total amount incurred on the completion of first phase of the project; and

(d) the loss suffered due to abandoning the project and the proposals to utilise the amount already invested?

THE MINISTER OF DEFENCE (SHRI SHARAD PAWAR): (a) Decision to abandon the Project has not so far been taken.

(b) to (d). Do not arise.

Concessions to NRIs Companies

*344. SHRI SUSHIL CHANDRA VARMA: Will the Minister of FINANCE be pleased to state:

(a) whether some foreign companies have requested the Government to allow them entry at less than the market prices of equity in Indian Companies when they are hard pressed finding markets for their products;

(b) if so, whether the Government have allowed by such concession to any foreign company of Non-resident Indians;

(c) if so, the details thereof; and